## UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MINNESOTA

| RUDOLPH TECHNOLOGIES, INC., | Case No. 05-1396 (JRT/FLN)        |  |  |  |  |  |
|-----------------------------|-----------------------------------|--|--|--|--|--|
| Plaintiff,                  | THIRD SUPPLEMENTAL DECLARATION OF |  |  |  |  |  |
| V.                          | FRANCES M. MCCLOSKEY              |  |  |  |  |  |
| CAMTEK LTD.,                |                                   |  |  |  |  |  |
| Defendant.                  |                                   |  |  |  |  |  |

Pursuant to 28 U.S.C. § 1746, I, Frances M. McCloskey, CPA, CFF, MBA, declare as follows:

- 1. I have been asked by counsel for plaintiff Rudolph Technologies, Inc. ("Rudolph") to supplement my previous calculations of interest to include post-judgment interest. In addition, I have been asked to calculate post-judgment interest per diem rates.
- 2. Attached as **Appendix A** is a copy of my resume. My hourly rate for the calendar year 2016 is \$460.
- 3. The calculations contained herein are based upon: 1) the Court's Judgment in a Civil Case (Docket No. 1011) dated February 10, 2015; and 2) the Court's Cost Judgment (Docket No. 1053) dated April 29, 2015.
- 4. I have calculated post-judgment interest on all judgments using the Weekly average 1-year constant maturity Treasury yield, as published by the Board of Governors of the

Federal Reserve System, for the calendar week preceding the date of judgment (see 28 U.S.C. 1961). Post-judgment interest is calculated on an annually compounded basis. My calculation and methodology for calculating post-judgment interest is detailed in the attached Exhibits.

5. A summary of the total amounts of awards and prejudgment interest through March 14, 2016 related to the judgments entered by the Court in this case are presented in the table below (also see **Exhibits 1** and **2**):

| Judgments Entered                          | Judgment<br>Amounts | Post-Judgment<br>Interest through<br>March 14, 2016 | Post-Judgment<br>Per Diem <sup>1</sup> |  |  |
|--|---------------------|---|--|--|--|
| Original Jury Award (Dkt. No. 1011)        | \$13,475,603.42     | \$30,933.09   | \$77.48                                |  |  |
| Supplemental Damages Award (Dkt. No. 1011) | \$1,036,695.76      | \$2,379.70  | \$5.96                                 |  |  |
| Costs (Dkt. No. 1053)                      | \$84,443.90         | \$176.00  | <u>\$0.55</u>                          |  |  |
| Post-Judgment Interest                     |                     | \$33,488.79   | \$83.99                                |  |  |

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 14th Day of March 2016, at Minneapolis, Minnesota.

Frances M. McCloskey, CPA, CFF, MBA

<sup>&</sup>lt;sup>1</sup> The per diem amounts shown are effective until the anniversary date of judgments because interest is compounded annually. The per diem amounts for the Original Jury Award and the Supplemental Damages Award are effective through February 9, 2017, at which time a new per diem amount for those judgments would need to be determined. The per diem amount for the Cost Judgment is effective through April 28, 2016, at which time a new per diem amount for the Cost Judgment would need to be determined.

#### APPENDIX A

## FRANCES M. MCCLOSKEY, CPA, CFF, MBA

Frances McCloskey has more than 30 years of combined experience in accounting, finance, financial consulting, and expert witness work. As a financial expert on damages, Fran provides assistance to attorneys in a variety of litigation matters and disputes involving fraud, securities, employment, intellectual property infringement (patents, trade secrets, trademarks, copyrights), and contracts.

#### **EXPERIENCE**

Financial Advisors LLC, Minneapolis, MN, August 1997 to Present Coopers & Lybrand LLP, Minneapolis, MN, October 1989 to August 1997 General Mills, Inc., Minneapolis, MN, July 1984 to May 1988

#### **EDUCATION**

Middlebury College, B.A. (cum laude) Economics, May 1984 University of Minnesota, M.B.A. Marketing, March 1989

#### **MEMBERSHIPS**

Minnesota Society of Certified Public Accountants (MNCPA) American Institute of Certified Public Accountants (AICPA)

#### **PUBLICATIONS**

Contributing author of <u>Minnesota Business Disputes: Claims & Remedies</u>, 2<sup>nd</sup> Edition, MSBA, 2015. Contributing author of <u>Damages for Theft of Trade Secrets</u>, MSBA CLE, May 2003. Contributing author of <u>Damages in Intellectual Property Litigation</u>, MSBA CLE, November 1999 and June 2001.

#### **PRESENTATIONS**

August 26, 2015 – MSBA CLE, "A Case Study of Gender Issues in Intellectual Property Disputes"

June 17, 2015 – MSBA CLE, "Business Disputes: Claims and Remedies"

August 21, 2014 – MSBA CLE, "Methodologies and Challenges in Calculating and Proving Damages"

April 22, 2014 - MSBA CLE, "Remedies and Damages in Commercial Litigation"

June 12, 2007 – Thrivent Financial, "Financial Information & Investigation"

February 9, 2006 – FBA Intellectual Property Section, "Trademark Damages"

November 16, 2004 – MSBA CLE, "The Jury Gap."

May 22, 2003 – MSBA CLE, "The Secrets to Winning Trade Secret Cases"

September 20, 2002 – MILE CLE, Economic Damages "Calculating Damages in Business Tort Cases"

December 13, 2001 – MILE CLE, Financial Investigations and Forensic Accounting, "Forensic Accounting and the Daubert/Kumho Tire Standard"

June 15, 2001 – MSBA CLE, "Introduction to Intellectual Property Litigation"

November 12, 1999 – MILE CLE, Financial Investigations and Forensic Accounting, "Proving Fraud in Post Transaction Disputes"

November 3, 1999 – MSBA CLE, "Damages in Intellectual Property"

November 20, 1998 – MSBA CLE, "Recovery of Damages for Lost Profits"

February 13, 1998 – MSBA CLE, "Expert Witness: The Real Story"

August Technology Corporation and Rudolph Technologies, Inc. v. Camtek Ltd.

## Exhibit 1

## **Summary of Judgments, Prejudgment Interest and Post Judgment Interest** Post Judgment Interest Through March 14, 2016

|                                    | Judgment<br>Amounts       | Prejudgment<br>Interest | Post Judgment<br>Subtotal Interest <sup>3</sup> | Total            |  |  |
|------------------------------------|---------------------------|-------------------------|---|------------------|--|--|
| Original Jury Award                | \$ 6,782,490.00           | \$ 6,693,113.42         | \$ 13,475,603.42 \$ 30,933.09                   | \$ 13,506,536.51 |  |  |
| Court's Supplemental Damages Award | 645,946.00 <sup>1</sup>   | 390,749.76 <sup>1</sup> | 1,036,695.76 2,379.70                           | 1,039,075.46     |  |  |
| Subtotal                           | \$ 7,428,436.00           | \$ 7,083,863.18         | \$ 14,512,299.18 \$ 33,312.79                   | \$ 14,545,611.97 |  |  |
| Cost Judgment                      | \$ 84,443.90 <sup>2</sup> | \$ - 2                  | \$ 84,443.90 \$ 176.00                          | \$ 84,619.90     |  |  |
| Total Through March 14, 2016       | \$ 7,512,879.90           | \$ 7,083,863.18         | \$ 14,596,743.08 \$ 33,488.79                   | \$ 14,630,231.87 |  |  |

Judgment in a Civil Case (Docket No. 1011) dated February 10, 2015.
 Cost Judgment (Docket No. 1053) dated April 29, 2015.

<sup>&</sup>lt;sup>3</sup> See Exhibit 2.

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# Post Judgment Interest Calculations Calculating Per Diem Rate and Post Judgment Interest Through March 14, 2016

|  | Court's Supplemental Original Jury Damages Cost Award <sup>1</sup> Award <sup>1</sup> Judgment <sup>2</sup> |                       |             |                              |    | Total<br>Post Judgment<br>Interest |    |           |
|--|---|-----------------------|-------------|------------------------------|----|------------------------------------|----|-----------|
| <b>Award &amp; Prejudgment Interest</b> Post Judgment Interest Rate <sup>3</sup> | <b>\$ 13,47</b>   | <b>5,603.42</b> 0.21% | <b>\$</b> 1 | , <b>036,695.76</b><br>0.21% | \$ | <b>84,443.90</b> 0.24%             |    |           |
| Full Year Post Judgment Interest through February 9, 2016 <sup>4</sup>           | \$ 28   | 8,298.77              | \$          | 2,177.06                     |    | n/a                                |    |           |
| Partial Year Post Judgment Interest through March 14, 2016 <sup>5</sup>          | \$ 2  | 2,634.32              | \$          | 202.64                       | \$ | 176.00                             |    |           |
| Post Judgment Interest through March 14, 2016                                    | \$ 30   | 0,933.09              | \$          | 2,379.70                     | \$ | 176.00                             | \$ | 33,488.79 |
| Per Diem Post Judgment Interest Rate in 366 Day Year <sup>6</sup>                | \$  | 77.48                 | \$          | 5.96                         | \$ | 0.55                               | \$ | 83.99     |

<sup>&</sup>lt;sup>1</sup> Judgment in a Civil Case (Docket No. 1011) dated February 10, 2015.

<sup>&</sup>lt;sup>2</sup> Cost Judgment (Docket No. 1053) dated April 29, 2015.

<sup>&</sup>lt;sup>3</sup> Weekly average 1-year constant maturity Treasury yield, as published by the Board of Governors of the Federal Reserve System, for the calendar week preceding the date of judgment (see 28 U.S.C. 1961). Post Judgment interest is calculated on a compounded (annually) basis.

<sup>&</sup>lt;sup>4</sup> The per diem interest rate increases after one full year because interest is compounded annually. Therefore, after each full year, the interest amount is added to the principal amount when calculating interest forward. The Original Jury Award and Supplemental Damages Award Judgments were entered on February 10, 2015 (one full year is through February 9, 2016). The Cost Judgment was entered on April 29, 2015 (one full year will be complete on April 28, 2016).

<sup>&</sup>lt;sup>5</sup> For the Original Jury Award and The Court's Supplemental Damages Award, the partial year period begins February 10, 2016. For the Cost Award, the partial year begins April 29, 2015.

<sup>&</sup>lt;sup>6</sup> The current year (2016) is a leap year, and has 366 days. Accordingly, the Per Diem Post Judgment Interest Rate is based on a 366 day year. The reported per diem amounts are effective through February 9, 2017 on the Original Jury Award and Supplemental Damages Award Judgments, and through April 28, 2016 on the Cost Judgment.